



What? The VSJF Flexible Capital Fund L3C (the “Flex Fund”) provides Vermont companies in agricultural, forest products, renewable energy, clean technology and waste management sectors with flexible, risk capital to grow, create quality jobs, preserve working landscapes, build healthy food systems and ensure a renewable energy future.

How? We use “*near equity*” financing such as subordinated debt, royalty financing and warrants to provide flexible risk capital to match a company’s funding needs. Royalty financing is not readily available in Vermont for smaller, growth companies – we’re a first mover in this area. Royalty financing is based on selling a piece of the revenue stream instead of selling ownership. In exchange for a loan, a company pays us a percentage of its sales until we’ve received back our principal plus the additional return that we negotiated with the company. Royalty payments can be structured over a fixed time period or until the investor reaches a set return.

Why? These are the companies that are moving Vermont and the region towards food and energy independence and working to ensure the health and resilience of our communities and natural environment. These growth companies need more choices of flexible capital across the risk continuum to grow and prosper.

Our Value Added Proposition

- Uniquely targeted to invest in Vermont’s growing natural resource and clean energy enterprises who are moving us towards a healthy food system and low carbon economy;
- “*It’s not just about the money...*” we bring business assistance and instant access to our networks;
- Leverages our knowledge, expertise and networks in Vermont’s natural resource markets;
- Focused on opportunities that enhance supply chains and nurture long-term relationships;
- To portfolio companies, offers flexible, higher risk debt that doesn’t require collateral or giving up ownership in your company, and won’t force you an exit strategy or sale in order to repay us;
- To our accredited investors, offers a fair financial return and a tangible way to help build a sustainable food system and resilient communities, preserve working landscapes and promote sustainable growth in Vermont.

What Are We Looking For?

We’re looking to invest in growth companies that strengthen existing natural resource markets across the value chain, link existing enterprises to new markets and distributions channels, and /or build new markets that contribute to environmental, social and economic health of Vermont and the region - now and for future generations.

Investment Targets and Size

Our investments typically range between \$100,000 and \$300,000, often in partnership with co-investors or lenders, with the flexibility to provide follow on funding as needed.

Our typical portfolio company has:

- Established sales, approaching \$500,000 - \$750,000 or higher in annual revenue;
- Sales growth of at least 10-20%/year; Profit margins that support a revenue-share payment;

- A gap in their financing package;
- A strong management team;
- A well-supported growth strategy with market opportunity in sustainable agriculture, forestry, clean technology, renewable energy or waste management sectors;
- A mission that advances our work of preserving the working landscape and building healthy, local food and energy systems.

We are looking to develop a pipeline of interested businesses that might be a good fit for near equity financing. If you are a business who needs working capital to grow, or know of a business that does, please contact us to let us know about your financing needs.

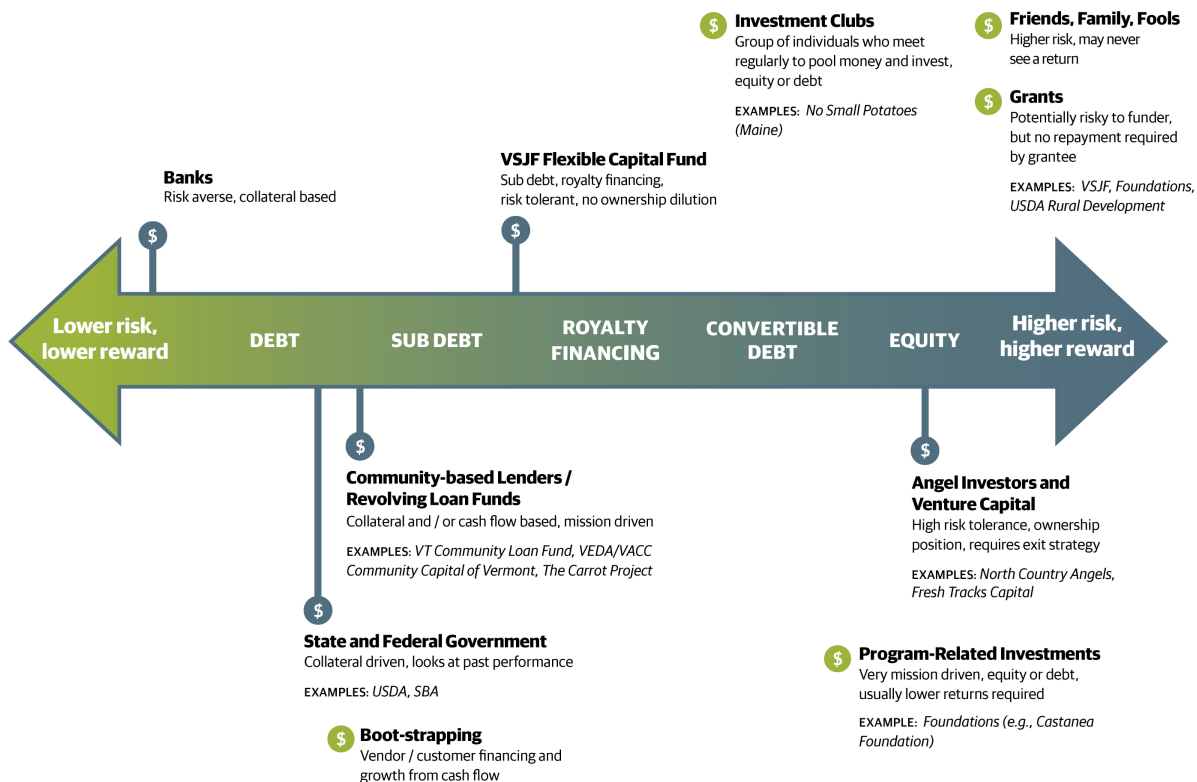
See where we fit in the continuum of capital available in Vermont:



VSJF Flexible Capital Fund, L3C

Questions? Comments? Contact Janice St. Onge
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Capital Continuum



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